

# **NEWS RELEASE**



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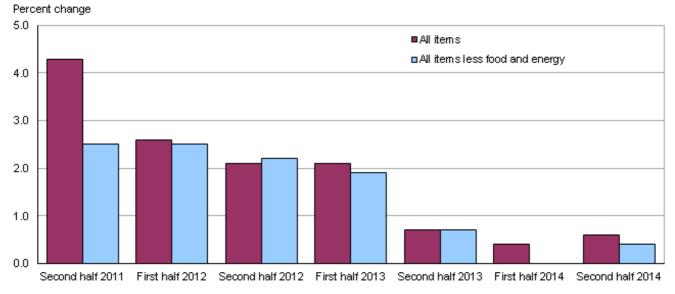
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# Consumer Price Index, Kansas City – Second Half 2014 Prices increased 0.6 percent from the second half of 2013 to the second half of 2014

The Consumer Price Index for All Urban Consumers (CPI-U) for the Kansas City, Mo.-Kan., metropolitan area increased 0.6 percent from the second half of 2013 to the second half of 2014, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Stanley W. Suchman noted that the indexes for food and shelter had the largest upward impact on the all items index. Costs for energy declined 2.9 percent, food prices advanced 3.9 percent, and the all items less food and energy index rose 0.4 percent over the year.

Chart 1. Over-the-year percent change in CPI-U, Kansas City, second half 2011–second half 2014



Source: U.S. Bureau of Labor Statistics.

#### **Food**

Food prices rose 3.9 percent from the second half of 2013 to the second half of 2014. Within the food index, costs for food at home led the advance with a 4.7-percent increase, the largest annual gain since 2011. Prices for food away from home also contributed to the increase, up 3.3 percent. These compared with gains of 0.9 and 1.1 percent, respectively, in the same period one year ago.

## Energy

The energy index, which includes motor fuel and household fuels, declined 2.9 percent from the second half of 2013 to the second half of 2014, registering the first over-the-year decrease in this component since 2009. Falling prices for motor fuel (-5.4 percent), which occurred in the most recent six months of the period, were largely responsible for the decline in the energy index. Costs for electricity, down 2.8 percent over the year, also contributed to the decrease. In contrast, prices for utility (piped) gas service advanced 4.6 percent from the second half of 2013.

### All items less food and energy

The index for all items less food and energy increased 0.4 percent from the second half of 2013 to the second half of 2014, following a gain of 0.7 percent in the same period one year ago. Shelter costs advanced 1.8 percent and had the largest upward impact on the all items less food and energy index. In contrast, apparel (-4.2 percent) and recreation (-2.1 percent) were among the expenditure categories posting lower prices over the year.

The Kansas City CPI-U stood at 222.470 for the second half of 2014. This means that a market basket of goods and services that cost \$100.00 in 1982-84 cost \$222.47 in the second half of 2014. Because metropolitan area CPI data are not adjusted for seasonal price variation, consumers and businesses should be cautious in drawing conclusions about long-term retail price trends from short-term changes in the metropolitan area indexes.

### **CPI-W**

The Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the Kansas City, Mo.-Kan., metropolitan area for the second half of 2014 was 214.311. The CPI-W increased 0.5 percent from the second half of 2013 to the second half of 2014.

The Consumer Price Index for the First Half of 2015 is scheduled to be released on Wednesday, August 19, 2015.

#### **Technical Note**

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 88 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers approximately 29 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 4,000 housing units and approximately 26,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at <a href="www.bls.gov/cpi">www.bls.gov/cpi</a> and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at <a href="www.bls.gov/opub/hom/homch17">www.bls.gov/opub/hom/homch17</a> a.htm.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. NOTE: Area indexes do not measure differences in the level of prices between areas; they only measure the average change in prices for each area since the base period.

The Kansas City, Mo.-Kan., area covered in this release includes Johnson, Leavenworth, Miami, and Wyandotte Counties in Kansas; and Cass, Clay, Clinton, Jackson, Lafayette, Platte, and Ray Counties in Missouri.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: 202-691-5200; Federal Relay Service: 1-800-877-8339.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes for semiannual averages and percent changes for selected periodsKansas City, MO-KS (1982-84=100 unless otherwise noted)

Item and Group	Semiannual average indexes			Percent change to 2nd half 2014 from-	
	2nd half 2013	1st half 2014	2nd half 2014	2nd half 2013	1st half 2014
Expenditure category					
All Items	. 221.168	222.842	222.470	0.6	-0.2
All items (1967=100)	. 656.728	661.697	660.592		
Food and beverages	. 245.839	249.749	255.318	3.9	2.2
Food	. 251.032	255.052	260.738	3.9	2.2
Food at home	. 239.889	245.461	251.246	4.7	2.4
Food away from home	. 267.350	271.526	276.272	3.3	1.7
Alcoholic beverages	. 186.036	188.608	192.818	3.6	2.2
Housing	. 205.725	207.730	208.829	1.5	0.5
Shelter	1	229.512	231.383	1.8	0.8
Rent of primary residence (1)		233.518	236.641	2.4	1.3
Owners' equiv. rent of residences (1) (2)		225.719	227.932	1.6	1.0
Owners' equiv. rent of primary residence (1) (2)	. 224.288	225.719	227.932	1.6	1.0
Fuels and utilities	. 227.862	232.356	232.619	2.1	0.1
Household energy	. 197.745	200.999	197.587	-0.1	-1.7
Energy services (1)	. 195.379	198.208	195.305	0.0	-1.5
Electricity (1)	. 162.759	156.491	158.233	-2.8	1.1
Utility (piped) gas service (1)	. 197.406	218.245	206.438	4.6	-5.4
Household furnishings and operations	. 124.209	124.098	122.360	-1.5	-1.4
Apparel	. 121.369	120.186	116.323	-4.2	-3.2
Transportation	. 209.137	212.086	204.681	-2.1	-3.5
Private transportation	. 206.124	209.281	202.169	-1.9	-3.4
Motor fuel	. 293.340	306.027	277.639	-5.4	-9.3
Gasoline (all types)	. 293.351	305.006	276.570	-5.7	-9.3
Gasoline, unleaded regular (3)		298.380	270.348	-5.8	-9.4
Gasoline, unleaded midgrade (3) (4)	. 356.776	370.843	335.535	-6.0	-9.5
Gasoline, unleaded premium (3)	. 285.500	296.360	270.634	-5.2	-8.7
Medical Care	. 338.640	336.849	339.435	0.2	0.8
Recreation (5)	. 130.811	130.336	128.090	-2.1	-1.7
Education and communication (5)	. 128.337	127.780	127.697	-0.5	-0.1
Other goods and services	. 378.223	380.770	383.306	1.3	0.7
Commodity and Service Group					
All Items	. 221.168	222.842	222.470	0.6	-0.2
Commodities	. 189.752	190.720	188.832	-0.5	-1.0
Commodities less food & beverages	. 162.513	162.366	157.413	-3.1	-3.1
Nondurables less food & beverages	. 220.081	220.256	210.795	-4.2	-4.3

Note: See footnotes at end of table.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes for semiannual averages and percent changes for selected periodsKansas City, MO-KS (1982-84=100 unless otherwise noted) -Continued

	Semiannual average indexes			Percent change to 2nd half 2014 from-	
Item and Group	2nd half 2013	1st half 2014	2nd half 2014	2nd half 2013	1st half 2014
Durables	108.921	108.145	107.107	-1.7	-1.0
Services	252.158	254.498	255.519	1.3	0.4
Special aggregate indexes:					
All items less medical care	214.611	216.459	215.909	0.6	-0.3
All items less shelter	220.654	222.129	220.812	0.1	-0.6
Commodities less food	163.487	163.401	158.785	-2.9	-2.8
Nondurables	232.799	234.689	232.345	-0.2	-1.0
Nondurables less food	218.289	218.537	210.096	-3.8	-3.9
Services less rent of shelter (2)	290.439	292.831	292.769	0.8	0.0
Services less medical care services	240.130	242.062	243.052	1.2	0.4
Energy	243.102	250.577	236.031	-2.9	-5.8
All items less energy	220.334	221.493	222.504	1.0	0.5
All items less food and energy	215.355	216.040	216.269	0.4	0.1

<sup>(1)</sup> This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

<sup>(2)</sup> Index is on a December 1982=100 base.

<sup>(3)</sup> Special index based on a substantially smaller sample.

<sup>(4)</sup> Indexes on a December 1993=100 base. (5) Indexes on a December 1997=100 base.

Table 2. Consumer Price Index for Wage Earners and Clerical Workers (CPI-W): Indexes for semiannual averages and percent changes for selected periodsKansas City, MO-KS (1982-84=100 unless otherwise noted)

	Semia	Semiannual average indexes			Percent change to 2nd half 2014 from-	
Item and Group	2nd half 2013	1st half 2014	2nd half 2014	2nd half 2013	1st half 2014	
Expenditure category						
All Items	213.175	214.905	214.311	0.5	-0.3	
All items (1967=100)	624.604	629.671	627.932			
Food and beverages	248.473	252.235	258.074	3.9	2.3	
Food	252.789	256.689	262.576	3.9	2.3	
Food at home	239.069	244.696	250.526	4.8	2.4	
Food away from home	274.036	277.819	282.902	3.2	1.8	
Alcoholic beverages	189.549	191.419	196.570	3.7	2.7	
Housing	197.025	198.978	200.250	1.6	0.6	
Shelter		216.955	219.005	1.8	0.9	
Rent of primary residence (1)		233.518	236.641	2.4	1.3	
Owners' equiv. rent of residences (1) (2)	204.200	205.503	207.518	1.6	1.0	
Owners' equiv. rent of primary residence (1) (2)	204.200	205.503	207.518	1.6	1.0	
Fuels and utilities	227.794	232.043	232.560	2.1	0.2	
Household energy	198.273	201.318	198.146	-0.1	-1.6	
Energy services (1)	196.348	198.887	195.968	-0.2	-1.5	
Electricity (1)	162.761	156.493	158.235	-2.8	1.1	
Utility (piped) gas service (1)	197.405	218.244	206.437	4.6	-5.4	
Household furnishings and operations	112.698	112.691	110.902	-1.6	-1.6	
Apparel	109.300	109.178	106.853	-2.2	-2.1	
Transportation	197.614	201.722	193.153	-2.3	-4.2	
Private transportation	196.207	200.502	192.053	-2.1	-4.2	
Motor fuel	293.351	305.973	277.544	-5.4	-9.3	
Gasoline (all types)	293.344	304.999	276.563	-5.7	-9.3	
Gasoline, unleaded regular (3)	286.884	298.377	270.345	-5.8	-9.4	
Gasoline, unleaded midgrade (3) (4)		370.843	335.535	-6.0	-9.5	
Gasoline, unleaded premium (3)	285.490	296.349	270.624	-5.2	-8.7	
Medical Care	346.416	344.466	347.206	0.2	0.8	
Recreation (5)	130.190	129.064	126.438	-2.9	-2.0	
Education and communication (5)	117.928	117.148	116.407	-1.3	-0.6	
Other goods and services	404.123	407.396	410.582	1.6	0.8	
Commodity and Service Group						
All Items	213.175	214.905	214.311	0.5	-0.3	
Commodities	186.705	188.214	186.006	-0.4	-1.2	
Commodities less food & beverages	158.594	159.601	154.045	-2.9	-3.5	
Nondurables less food & beverages	219.909	222.040	211.670	-3.7	-4.7	

Note: See footnotes at end of table.

Table 2. Consumer Price Index for Wage Earners and Clerical Workers (CPI-W): Indexes for semiannual averages and percent changes for selected periodsKansas City, MO-KS (1982-84=100 unless otherwise noted) - Continued

	Semiannual average indexes			Percent change to 2nd half 2014 from-	
Item and Group	2nd half 2013	1st half 2014	2nd half 2014	2nd half 2013	1st half 2014
Durables	110.447	109.080	107.937	-2.3	-1.0
Services	243.687	245.722	246.680	1.2	0.4
Special aggregate indexes:					
All items less medical care	207.457	209.334	208.575	0.5	-0.4
All items less shelter	213.569	215.275	213.615	0.0	-0.8
Commodities less food	159.884	160.876	155.612	-2.7	-3.3
Nondurables	234.269	236.928	234.074	-0.1	-1.2
Nondurables less food	219.068	221.118	211.599	-3.4	-4.3
Services less rent of shelter (2)	255.266	257.138	256.763	0.6	-0.1
Services less medical care services	231.616	233.250	234.188	1.1	0.4
Energy	242.329	249.848	234.850	-3.1	-6.0
All items less energy	I	212.323	213.523	1.0	0.6
All items less food and energy	203.185	203.598	203.955	0.4	0.2

<sup>(1)</sup> This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

<sup>(2)</sup> Index is on a December 1984=100 base.

<sup>(3)</sup> Special index based on a substantially smaller sample.

<sup>&</sup>lt;sup>(4)</sup> Indexes on a December 1993=100 base.

<sup>(5)</sup> Indexes on a December 1997=100 base.